

## WEEK OF STOCK MARKET OF KAZAKHSTAN November 16 - 22

1 US dollar = **144.40** tenge at official rate for the end of the period  
1 US dollar = **143.84** tenge at weighted average rate of the Exchange for the end of the period

### YIELD OF STOCK EXCHANGE INSTRUMENTS

Following is the table that allows to compare investment attractiveness of the financial instruments, which were regularly traded or quoted at Kazakhstan stock exchange (KASE) during November 16 - 22. In parentheses – figures of previous period. Instruments are given in ascending order, based on their attractiveness.

#### Investment attractiveness of stock exchange instruments from November 16 through 22

Financial instrument	Currency	Yield, % APR	Volume of deals, mln KZT	Volume of deals, mln USD
Repo GB	KZT	*11.42 (4.32)	5,631.1 (1,670.9)	39,113.3 (11,591.2)
MEKKAM, notes	KZT	*8.11 (8.06)	816.9 (1,164.3)	5,674.3 (8,076.7)
RENTb	USD	15.04 (15.04)	0 (0)	0 (0)
ALKSb	USD	15.03 (14.70)	10.6 (0)	73.9 (0)
KOMBb	USD	13.50 (13.40)	0.4 (0)	2.8 (0)
KZOLb	USD	11.00 (10.37)	5.6 (0)	38.9 (0)
ATFBb	USD	10.95 (10.95)	0 (0)	0 (0)
KZTOb	USD	10.46 (10.44)	18.3 (112.8)	126.8 (782.5)
TMJLb	USD	10.04 (9.97)	0 (0)	0 (0)
HSBKb	USD	9.79 (10.50)	0 (0)	0 (0)
Euronotes-4	USD	9.57 (9.59)	540.1 (2,465.2)	3,751.2 (17,101.3)
Euronotes-3	USD	9.16 (9.10)	519.1 (1,099.0)	3,605.3 (7,624.0)
Euronotes-2	USD	9.16 (9.01)	99.5 (86.5)	691.4 (600.2)
KKGBb	USD	9.10 (9.13)	0 (0)	0 (0)
MEKAVM	USD	*8.81 (9.20)	89.8 (153.1)	624.0 (1,062.3)
TEBNb	USD	8.32 (8.39)	0 (0)	0 (0)

**Notes:** yields of ALKSb, KOMb, KZTOb and KZOLb are calculated as average of deals; for other corporate bonds - as average of bid quotations.

Tenge devaluation rate is estimated at weighted average rate of the main session of KASE in the week by a trend of **negative 16.29% APR**.

The yields, shown here, do not incorporate overhead expenses that are inevitable when conducting operations and fixing profits (commission and tax collections, membership fees etc). Marked by a star are the instruments with less than a year circulation term. Weighted average effective yields are given for them.

### INDICATORS OF INTERBANK DEPOSIT MARKET

Following is the table of mean values of interbank offering rates (KIBOR), calculated by the quotations put out by the banks in the trade system of KASE. The trend reflects the change of the indicator relative to the last day of previous period. Minimum quotation volume is KZT15 mln. The quotations are indicative meaning that participants do not have to conclude deals on given terms.

#### Indicators of Kazakhstan interbank deposit market as of November 22, 4:00 PM ALT and changes during the week

Term	Currency	Rate	Trend
1 week	KZT	<b>9.75</b>	+3.35
2 weeks	KZT	<b>11.38</b>	+4.13
1 month	KZT	<b>12.88</b>	+4.48
2 months	KZT	<b>14.00</b>	+4.75
3 months	KZT	<b>15.06</b>	+4.91

At the end of the period some banks of the second tier are clearly having problems with free money. The main reason for this are noticeable stretching of the long positions by the banks during a fast growth of the dollar. Subsequent sales of the dollars by the BST at declining rate did not solve the short-term liquidity problems of the banks completely, though by the end of the calendar week, as the specialists of the agency IRBIS expect, they will be solved. So far, the cost of the money for all borrowing terms has fixed at much higher levels, than they were a week ago. It is confirmed not only by indicative KIBOR and more shorter money rates, but also by the dynamics of real rates in repo sector of the KASE (see below).

## THE SECURITIES SECTOR (SS)

### Secondary market

During observed period 11 deals amounting to **\$765.5 th.** were made **in purchase and sale sector** of the securities on trade floors of the KASE. Relative to previous period (\$1,289.6 th., 16 deals) weekly turnover of the sector decreased by 40.6%.

In terms of deal volumes **common shares of Bank TuranAlem OJSC** (Almaty, official list of securities, category "A", BTAS) were the leaders, with their proportion in total turnover of securities reaching 46.0%. Then, coupon bonds of NOTC KazTransOil CJSC (Almaty, official list of securities, category "A", KZTOb) - 16.6% of the market. Further, there were common shares of VALUT-TRANZIT BANK OJSC (Karagandy, official list of securities, category "B", VTBN). Volume of deals made in other interments traded during the week were insignificant. Last week coupon bonds of NOTC KazTransOil CJSC were the leaders.

During the week the price of BTAS rose by 25.3% relative to previous successful trades, KZCR - by 0.3%, KZMS - by 4.0 times, SSGPp fell by 0.7%, VTBN - by 7.6%. Yields of ALKSb fell from 15.1300% to 15.0341%, KOMBb - from 14.5003% to 13.5017% APR, yield of KZOLb grew from 10.7684% to 10.9979% APR, KZTOb - from 10.2950% to 10.4988% APR.

It should be noted that noticeable growth of the yields of KZOLb and KZTOb during the last two weeks has nothing to do with the state of affairs of their issuers. The analysis conducted by the specialists of the IRBIS helped to reveal the reasons for the values of these bonds to decline. It is because the quotations of these bonds are put out at the KASE not only by their market-makers - Kazkommerts Securities OJSC, but also by other participants. The mandatory quotations of the market-makers closely follow the advancing growth of the bond values, though the spreads are quite wide. Other participants, paying attention to the situations in adjacent sectors (first of all in currency sector), are trying to use the bonds on either long or short positions just like any other financial instrument, or in simple words, speculating with them. Particularly, during the last two weeks one of the brokers managed to maximize his short positions (sales) using KZOLb and KZTOb within the spreads of the market-maker, which explains the decrease in the values of these bonds. In other words, liquid corporate bonds are more and more used by the traders along with GB and foreign currencies to maximize the effectiveness of the dealing operations.

Data on the deals, bid and offer information, as well as description of trade codes are given in the tables.

#### Results of the trades in shares from November 16 - 22

USD per share, unless otherwise specified

Issuer	Securities	Close	WA price	Volume	Best bid	Best offer
Almaty Kus OJSC	ALKS			0	0.15	0.31
Bank TuranAlem OJSC	BTAS	87.95	87.95	4 000	87.95	72.00
Bank CenterCredit OJSC	CCBN	1.53		0	1.26	1.39
Halyk Bank of Kazakhstan OJSC	HSBK	*0.72		0	0.90	1.80
KAZKOMMERTSBANK OJSC	KKGB	0.70		0	0.25	0.50
TNC Kazchrome OJSC	KZCR	*6.95	6.95	1 415	6.95	6.95
Corporation Kazakhmys OJSC	KZMS	*27.00	27.00	1 610	27.00	27.00
Kazakhtelecom	KZTK	14.50		0	13.50	16.50
Kazakhtelecom	KZTKp	*8.08		0	8.00	12.00
Rakhat JSC	RAHT			0	*0.42	
SSGPO JSC	SSGPp	*2.78	2.78	6	2.78	2.78
SHNOS OJSC	SYRG	1.63		0	1.30	
Temirbank OJSC	TEBN	*1.10		0	0.69	3.62
UKTMK OJSC	UTMK	*50.00		0	5.00	145.00
UKTMK OJSC	UTMKp	28.00		0	5.00	50.00
VALUT-TRANZIT BANK OJSC	VTBN	2.40	2.40	49 231	2.40	2.40
VALUT-TRANZIT BANK OJSC	VTBNp	*3.28		0	1.39	2.56

#### Results of the trades in bonds from November 16 - 22

yield for the buyer in % APR till maturity, unless otherwise specified

Issuer	Code	Currency	Last	WA	Volume, th. USD	Best bid	Best offer
Almaty Kus OJSC	ALKSb	USD	15.03	15.03	73.91	15.03	15.03
AMB CJSC	ATFBb	USD	11.38		0.00	11.26	10.95
Halyk Bank of Kazakhstan OJSC	HSBKb	USD	12.00		0.00	10.95	10.50
KAZKOMMERTSBANK OJSC	KKGBb	USD	12.76		0.00	13.33	9.11
Komirbank OJSC	KOMBb	USD	13.50	13.50	2.79	13.50	13.50
NOC Kazakhoil CJSC	KZOLb	USD	11.00	11.00	38.92	11.00	11.00
NOTC KazTransOil CJSC	KZTOb	USD	10.46	10.46	29.28	10.46	10.55
RENATA LLP	RENTb	USD			0.00		15.04
Temirbank OJSC	TEBNb	USD	11.28		0.00	12.18	8.36
Kazakhstan Temir Joly NSE	TMJLb	USD	10.82		0.00	10.40	10.10

**Notes:** bid and offer prices are given for the period; if no deals were made during reporting period (volume =0), the last price of successful trades will be given; marked by a star are indicative quotations in Quotation trade system of KASE unlike the bids submitted in regular trade mode, or the price of direct deals.

**The KASE index** that reflects the changes in the bids on the shares from the official list of the Exchange's securities of the category "A", including the market capitalization of their issuers, **increased by 0.0389 during the week**, at **106.0562** at November 22 closing.

**In the securities repo sector** 5 deals were made during the week:

- 2 deals for closing 30 day repo on common shares of Bank TuranAlem OJSC amounting to \$2,459,841.75 (the amount raised - \$2,453,799.15). The return on the transaction equaled 2.98% APR in U.S. dollars, and **16.04% APR** in terms of tenge (at the rate of the Exchange);
- 2 deals for opening 30 day repo on common shares of Bank TuranAlem OJSC amounting to \$2,459,841.75 at 2.98% APR (the rate declared by the participants) in terms of dollars (actually, these deals is the prolongation of the closed repo that was described in previous point);
- 1 deal for opening of 30 day repo on common shares of Bank TuranAlem OJSC amounting to \$3,476,500.00 at **3.84% APR** (the rate declared by the participants) in terms of dollars.

At the end of the period **seven** indexed securities repos were opened at the trade floor of the Exchange for a total of **\$6,476.2 th.** Common shares of following companies were used as the object of repo deals: Bank TuranAlem OJSC, Bank CenterCredit OJSC, Voskhod OJSC, TEMIRBANK OJSC. The term of repo varies from 28 to 260 days, and the rates in USD from 2.98 to 14.88% APR. It should be noted that it not advisable to use these rates as market indicators, since in some cases the rates are obviously low because some deal counteragents are affiliated.

### **Change in the securities lists**

**From November 21 of this year**, based on the application of the trade member of the Kazakhstan Stock Exchange (KASE), **common inscribed shares of SAUR OJSC** (Almaty, KZ1C34990415, trade code - **SAYR**) were admitted to the trades in "Non-listed securities" sector with the second admittance level. Announced and paid authorized capital of the company is KZT300,000,000.00 and divided into 3,000,000 common shares with KZT100 face value each. Primary activities: production, organization, commercial, financial, investment, information-advertising, publishing and other activities.

### **Capitalization**

On November 22, 2000 the **capitalization of the companies**, whose shares are traded on the securities exchange market of Kazakhstan, equaled **\$1,369.5 mln** or KZT197.0 bln at tenge to dollar rate of the Exchange, effective on that date. During the week this number increased by **\$109.8 mln** in terms of dollars was caused mainly by a noticeable increase in values of all major companies' shares that were traded during the week, as well as by entering common inscribed shares of SAUR OJSC into trade lists (see above).

**The capitalization of the exchange market of corporate bonds by the best bids**, that are regularly put out by the market-makers of these securities in the trade system of the Exchange, was fixed at **\$129.4 mln** as of November 22, or KZT18,617.42 mln. This indicator **fell by \$0.5 mln** during the week, which is explained by a noticeable decline in bids prices of bonds of Halyk Bank of Kazakhstan on November 21 and 22. The reasons for the market-makers to behave like this are probably in the dynamics of the U.S. dollar exchange rate. Decline in the bid and offer price of HSBKb, on one hand, follow these dynamics, and on other hand, indicate that the market-maker is willing to "get rid of" some of the bonds form its portfolio in order to increase their liquidity.

In nominal value (total face value of the bonds that were entered into trade lists of KASE) is estimated at **\$131.1 mln** as of this check date. or **KZT18,851.5 mln**.

### **SECTOR OF GOVERNMENT BONDS (GB)**

**In GB purchase and sale sector** of KASE total volume of **75 deals** did not exceed **KZT2,136.6 mln**. In previous week the turnover reached KZT5,076.4 mln with 101 deals made. It should be noted that noticeable decrease in the volumes of the deals in the sector was observed while the proportion of the deals made at the Exchange was increasing on the market.

In the opinions of IRBIS analysts, the main reason for the liquidity of GB to fall in purchase and sale sector is a sharp growth in the cost of short money due to a shrinkage in monetary base and anticipated deficit of free tenge for some banks. The market is taking the consequences of the involvement of the banks into long positions during a sharp growth period of the dollar. Under such conditions the traders have significantly reduced the volumes of the deals in GB purchase and sale sector and switched to repo sector (see below).

Parameters of stock exchange transactions in SS from November 16 - 22

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, mln tenge discounted	Number of deals
	min	max	last deal	weighted average		
<b>Discounted GS: MEKKAM-6, 12, notes</b>				<b>38.2% (22.9%) of purchase and sale sector's turnover</b>		
less than 8	7.00	7.00	7.00	7.00 (5.14)	99.9	1
15 – 28	6.70	7.32	7.32	6.97 (7.13)	40.0	6
29 – 36	6.90	7.09	6.90	6.99 (7.08)	50.1	6
43 – 56	7.66	7.66	7.66	7.66 ( -)	4.1	1
64 – 91	7.03	7.94	7.94	7.15 (7.67)	314.4	7
92 – 181	7.92	9.00	8.00	8.20 (7.92)	82.9	9
182 – 364	9.77	9.87	9.79	9.81 (9.70)	225.5	5
Total					816.9 (1,164.3)	35 (37)
<b>Discounted indexed GS: MEKAVM-6, 12</b>				<b>4.2% (3.1%) of purchase and sale sector's turnover</b>		
64 – 91	8.02	8.02	8.02	8.02 (8.00)	14.6	1
92 – 181	8.50	8.83	8.50	8.66 (9.03)	75.3	2
Total					89.8 (153.1)	3 (2)
<b>Coupon GS: MEOKAM-36</b>				<b>3.3% (2.1%) of purchase and sale sector's turnover</b>		
1,081 - 1,086	17.99	18.04	17.99	18.02 (18.04)	71.2	5
Total					71.2 (108.3)	5 (8)
<b>Euronotes of Kazakhstan, USD</b>				<b>54.6% (71.9%) of purchase and sale sector's turnover</b>		
*675 - 676	9.16	9.16	9.16	9.16 (9.01)	99.5	5
**1,406 - 1,412	9.04	9.21	9.18	9.16 (9.10)	519.0	7
***2,329 - 2,335	9.54	9.58	9.55	9.57 (9.59)	540.1	42
Total					1,158.7 (3,650.7)	54 (45)
<b>SUBTOTAL</b>					<b>2,136.6 (5,076.4)</b>	<b>101 (94)</b>

Notes: for euronotes (\* - second issue, \*\* - third issue, \*\*\* - fourth issue) volumes of the deals are calculated at weighted average USD/KZT rate of the Exchange. Volumes for indexed domestic GS are calculated considering official rate of USD/KZT.

The turnover structure of the GB at the KASE did not change much during the period (please the table). Some growth in the proportion of the transactions in MEKKAM and notes seems logical under the stabilization of the dollar, and decrease in the liquidity of the euronotes reflects the return of the GB market to its normal condition after a brief "currency stress".

In GB repo sector 106 deals for a total of KZT10,483.2 mln were made during the period. Of this number 55 deals (for KZT5,631.1 mln) were repo opening deals and 51 (KZT4,852.1 mln) were repo closing deals. Last week total turnover of this sector of the market was at KZT2,933.8 mln.

After closing of the trades on November 22 total amount of opened repo equaled KZT2,010.1 mln. Current weighted average rates as of November 22 (% APR) equaled: for 1 day – 12.52; for 23 days – 7.25; for 28 days – 9.50; for 29 days – 9.00; for 30 days – 5.50; for 31 days – 6.00; for 92 days – 9.86.

Total of 181 deals amounting to KZT12,619.8 mln were made in GB on trade floors of KASE during last period (purchase and sale and repo sector). Last week volume of 172 deals was KZT8,010.0 mln.

In this week proportion of the stock market turnover in total volume of deals on Kazakhstani secondary market for GB for comparable operations (including euronotes and repo operations) equaled 75.8%, for last week it was 56.5%.

## INFORMATION ON THE COMPANIES

KAZKOMMERTSBANK OJSC (Almaty), in accordance with the listing requirements, provided the KASE with its financial statements for 9 months of 2000: balance sheet and income statement. Based on the data of the issuer, following are results of his financial and economic activities in 9 months of year 2000 (please the table).

### Comparable figures of KAZKOMMERTSBANK OJSC financial and economic activities in 9 months of 2000

(in th. KZT, unless otherwise indicated)

Indicator	As of	As of	Change, %
	Oct.1,99	Oct.1,00	
Authorized capital (nominal value)	2,938,820	2,942,200	+0.1
Shareholders' equity	10,732,582	14,015,959	+30.6
Total assets	71,702,112	75,220,339	+4.9
Liquid assets	8,633,895	17,088,820	+97.9
Loans and reserves	56,265,630	57,381,143	+2.0
Credits granted	49,335,685	46,783,277	-5.2
Operating income	14,572,812	10,877,662	-25.4
General expenses	13,340,480	8,557,360	-35.9
Net income of the period	1,232,332	2,320,302	+88.3
Book value of one share, KZT	37.60	49.10	+30.6

Compared to similar period of 1999: shareholders' equity of the bank grew by KZT3.3 bln, or 30.6% (authorized capital in tenge - by KZT3.4 mln, final amount of undistributed income - by KZT3.3 bln with the decrease in accumulations in the funds - by KZT68.9 mln); assets grew by KZT3.5 bln, or 4.9%; liabilities - by

KZT234.9 mln, or 0.4%; **loans and deposits** - by KZT1.1 bln, or 2.0% (increase in deposits by KZT19.1 bln, with KZT14.8 bln decrease in the volumes of credits attracted and KZT3.2 bln in bonds in circulation); **operating income** fell by KZT3.7 bln, or 25.4% (decrease in loan portfolio volume, interest rates on the loans and re-evaluation income); **expenses** decreased by KZT4.8 bln, or 35.9% (6.9 times decrease in loss provisions).

**Net income** of KAZKOMMERTSBANK OJSC received in 9 months of the year 2000 equaled KZT2.3 bln, or KZT1.1 bln, or 88.3% more than in similar period of last year.

**Dynamics of some KAZKOMMERTSBANK OJSC indicators during the year 2000 on a quarterly and non-accruing sum basis**

(in mln KZT)

Indicator	I-2000	II-2000	Change, %	III-2000	Change, %
Client deposits	-3,262.0	8,767.3	+368.8	1,849.5	-78.9
Operating income	4,147.0	2,890.9	-30.3	3,839.8	+32.8
Net income	1,155.4	980.2	-15.0	184.8	-81.2

Also, KAZKOMMERTSBANK OJSC presented the KASE with its official press-release, where it is said that specialized financial and economic magazine "Euromoney" (International publishing house "Euromoney Publications", London) once again has named it as the best domestic bank of Kazakhstan in 2000.

It is not the first time when the magazines of "Euromoney Publications" grant such an award to KAZKOMMERTSBANK OJSC. In 1995 "Euromoney" named it as the best bank of Central Asia and Transcaucasus, in 1997 as the best bank of Central Asia, in 1998 and 1999 - as the best domestic bank ("Euromoney" and "Central European" magazines).

The press-release reads that the fact of granting the award of the "Euromoney" magazine to KAZKOMMERTSBANK OJSC for the fifth time confirms the leading position of the bank in Central Asian region, its contribution to the development of the Kazakhstani banking system. "The award is also a result of it harmonious and productive work of the Kazkommertsbank employees, a confirmation of its indisputable success and high quality of financial services that the bank offer to its numerous corporate and individual clients", says the press-release.

**Bank CenterCredit OJSC** (Almaty), in accordance with the listing requirements, provided the KASE with its financial statements for 9 months of 2000: balance sheet and income statement. Based on the data of the issuer, following are results of his financial and economic activities in 9 months of year 2000 (please the table).

**Comparable figures of Bank CenterCredit OJSC financial and economic activities in 9 months of 2000**

(in th. KZT, unless otherwise indicated)

Indicator	As of Oct.1,99	As of Oct.1,00	Change, %
Authorized capital (registered)	1,063,339	2,063,339	+94.0
Authorized capital (paid)	1,063,339	1,469,296	+38.2
Shareholders' equity	1,315,919	1,725,842	+31.2
Total assets	11,795,670	17,027,484	+44.4
Liquid assets	2,778,899	4,265,350	+53.5
Loans and deposits	9,807,439	14,739,524	+50.3
Credits granted (net)	6,795,571	11,167,989	+64.3
Operating income	2,862,020	3,238,624	+13.2
General expenses	2,766,445	3,173,331	+14.7
Net income of the period	95,575	65,293	-31.7
Book value of one share, KZT	247.51	234.92	-5.1

Compared to similar period of 1999 growth took place in: **shareholders' equity** of the bank - by KZT409.9 mln, or 31.2% (paid portion of authorized capital - by KZT406.5 mln, final amount of undistributed income - by KZT4.1 mln with the decrease in accumulations in the funds and reserves - by KZT0.6 mln); **assets** - by KZT5.2 bln, or 44.4%; **liabilities** - by KZT4.8 bln, or 46.0% (as a result of deposits increase by KZT5.5 bln); **operating income** - by KZT376.6 mln, or 13.2%; **expenses** - by KZT406.9 mln, or 14.78%.

Net income of Bank CenterCredit OJSC received in 9 months of the year 2000 equaled KZT65.3 mln, or 31.7% less than in similar period of last year.

**Dynamics of some Bank CenterCredit OJSC indicators during the year 2000 on a quarterly and non-accruing sum basis**

(in mln KZT)

Indicator	I-2000	II-2000	Change, %	III-2000	Change, %
Client deposits	1,271.4	544.2	-57.2	1,165.7	+114.2
Operating income	1,170.0	1,219.3	+4.2	849.3	-30.3
Net income	91.6	6.0	-93.5	-32.2	-640.2

**TNC Kazchrome OJSC** (Almaty) provided the KASE with the materials of annual general meeting of its shareholders (minutes, report of the Board, report of the Revision commission) which was held on September 25, 2000. Based on the agenda, the shareholders of TNC Kazchrome OJSC approved the report of the Board

on the results of financial-economic activities and the report of the Revision commission for 1999, approved the changes and amendments to the company's charter, the regulations on in absentia election of the Board of directors, and also approved:

- for 1999 to pay dividends to preferred shares at 10% of the face value of a share for a total of KZT75,600,000; to common shares - at KZT75.20 per share for a total of KZT537,490,899 (to state block of shares - KZT186,471,936, to other shareholders - KZT351,018,963); dividend payment is said to start on March 31, 2001;
- allocate KZT1,195,000 th. from net income to form a reserve capital, and KZT11,432,876.1 th. to form the development and construction fund;
- assign Global audit LLP as the company's auditor for the year 2000, and Deloitte & Touche as an international auditor;

Besides, the meeting dismissed previous Board of directors and elected a new one (Nikitenko M.G., Jumagaliev R.I., Ibragimov S.T., Musaeva A.A., Aliev E.R.) as well as a new Revision commission (Rustemova N., Krizskaya T.).

On behalf of the Board of TNC Kazchrome Zaurbekova Z.G., the vice president of the company, held a speech on 1999 results. It was said that despite a decrease in demand for ferroalloys and their prices because of 1998 crisis, in reporting year TNC Kazchrome OJSC had a stable production and sales (reserves of ferroalloys declined from 150,000 tons as of late 1998 to 70,000).

Based on the report of the Board, in 1999 production of ferroalloys reached a record high of 1 mln tons. It is 37.6% growth relative to 1998, including, Ferrochrome OJSC - 44.7%, Aksu ferroalloy plant - 35.2%. The production of commodity ferroalloys was about 955 th. tons, or 34.5% increase compared to 1998, and 24.6% relative to 1995 (the most favorable year in terms of prices in last 10 years). In monetary terms production growth in current prices equaled 53.3% relative to previous year, in comparable prices of 1998 - 36.1%. The production of commodity ferrochromium was about 700 th. tons (36.2% increase relative to 1998, 47.8% to 1995). Ferrosilicon production was limited to the production of only high grades due to antidumping tariffs on the exports of Kazakhstani ferrosilicon, however, it grew by 52.2% to 1998, and 54.9% to 1995. Siliconmanganese production increased by 36.8% relative to 1998 and almost 4 times to 1995. The company's own manganese ore base developed further (ore mine "TUR").

In 1999 the production of ferrochromium with low carbon content increased by 25% against 1998 due to the situations on the world markets, that of medium content increased almost three times, and the production of a new product - metal chromium has started.

Donskoi GOK has produced 2.4 mln tons of commodity chromium (150.1% increase against 1998, 0.2% against 1995). The production increase of commodity chromium was due to putting into operation new "Poiskovyi" open pit, and "Tsentralnaya" mines, as well as due to a growth in extraction volumes at existing "Molodejnaya" mine.

The sales of ferroalloys on domestic market and to CIS countries did not exceed 4% of all sales in 1999. The major markets were European union, USA, Japan, Korea, Taiwan. Chromium ore was mainly sold on domestic market. Ore exports were about 540 th. tons or 22.8% of all sales.

In 1999 commodity production equaled KZT34.0 bln for the company as a whole (55.8% increase against 1998), sales - KZT34.9 bln (56.7% against 1998), and net income - KZT14.7 bln, including KZT3.4 bln worth of loans written-off by the decision of the court's decision. Following are the data on each entity that is part of the company.

**Major technical and economic indicators of the enterprises of TNC Kazchrome OJSC in 1999**

"Aksuskii zavod ferrosplavov"	Measurement unit	1999	Change against 1998, %
Commodity production	th. tons	733.9	+35.2
Commodity production	mln KZT	19,853.6	+50.0
Cost of commodity production	mln KZT	15,962.9	+20.7
Commodity production profitability	%	24.4	-
Expenses per KZT1 of commodity production	KZT	0.80	-19.5
Sales	mln KZT	19,853.3	+45.6
Cost of goods sold	mln KZT	14,262.6	+30.0
Net income	mln KZT	11,018	-
Capital investments	mln KZT	403.4	-69.0
Staff	person	5,758	+1.6
Average salary	KZT	27,928	+31.3
Productivity of one worker	physical tons	110.6	+33.6
Average price of the product	KZT	32,837	+15.2

*To be continued on the page 7*

Second part of the table

**Major technical and economic indicators of the enterprises of  
TNC Kazchrome OJSC in 1999**

<b>Ferrochrome OJSC</b>	<b>Measurement unit</b>	<b>1999</b>	<b>Change against 1998, %</b>
Commodity production	th. tons	265.8	+44.7
Commodity production	mln KZT	7,973.1	+62.0
Cost of commodity production	mln KZT	6,751.4	+50.3
Commodity production profitability	%	18.1	–
Expenses per KZT1 of commodity production	KZT	0.85	-7.6
Sales	mln KZT	9,191.2	+74.6
Cost of goods sold	mln KZT	8,301.8	+72.6
Net income	mln KZT	2,269.6	–
Capital investments	mln KZT	228.4	+14.2
Staff	person	2,910	+2.9
Average salary	KZT	25,940	+49.4
Productivity of one worker	physical tons	83.3	+44.6
Average price of the product	KZT	33,931.1	+11.5
<b>Donskoi GOK OJSC</b>			
Commodity production	th. tons	2,405.6	+50.1
Commodity production	mln KZT	6,208.6	+68.3
Cost of commodity production	mln KZT	4,742.5	+41.2
Commodity production profitability	%	30.9	–
Expenses per KZT1 of commodity production	KZT	0.74	-19.7
Sales	mln KZT	5,908.2	+55.0
Cost of goods sold	mln KZT	4,880.2	+69.9
Net income	mln KZT	1,430.8	–
Capital investments	mln KZT	129.8	-29.8
Staff	person	5,570	+4.8
Average salary	KZT	25,847	+27.1
Productivity of one worker	physical tons	453.7	+44.4
Average price of the product	KZT	2,521.7	+14.9

**Corporation Kazakhmys OJSC** (Jezkazgan; extraction and processing of mineral resources, production of cathode copper; production, transmission and distribution of electrical and thermal power; scientific-research, design and development works; industrial and civil construction; cargo and passenger transportation), in accordance with the listing requirements, informed the KASE of the change in its structural divisions.

Based on the letter, Karagandy foundry-machinery plant OJSC was removed from the State register of the legal entities (order #7-15/1-2696 of the Justice department of Karagandy region, dated October 6, 2000) due to its amalgamation with the Corporation Kazakhmys OJSC.

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